



FOOD FAIR STORES, INC. ANNUAL REPORT 1964



THE COVER of this year's annual report features Food Fair's new emblem. This distinctive symbol is now being featured in Food Fair's newspaper ads and will be used as a ready identification on our private label packages, new buildings, store interiors, trucks and a wide range of printed material. The new symbol lends itself to multiple uses.

A company's trademark—its graphic identification to the public—is an evolving thing. However, the goal has always been the same: To have the Company symbol reflect a vigorous, progressive image to the public, capable of achieving both immediate visual impact and retention value.

The current trademark has evolved from the first logotype introduced on Food Fair's original supermarket in Harrisburg, Pennsylvania, 31 years ago.



ANNUAL REPORT 1964

For the fiscal year ended May 2, 1964

FOOD FAIR STORES, INC.



THE YEAR IN BRIEF

	FISCAL YEAR	
	(53 Weeks)	(52 Weeks)
	1964	1963
Sales	\$1,105,394,153	\$1,003,344,200
Net Income	\$ 7,356,146	\$ 10,370,147
Special Credits	\$ 2,677,872	—
Net Income and Special Credits	\$ 10,034,018	\$ 10,370,147
Per Share of Common Stock*:		
Net Income	\$1.02	\$1.45
Special Credits	\$.38	—
Net Income and Special Credits	\$1.40	\$1.45
Dividends Paid in Cash:		
Preferred Stock	\$ 203,836	\$ 214,599
Common Stock	\$ 6,303,225	\$ 6,284,907
Earnings Retained in the Business	\$ 3,526,957	\$ 3,870,641
Current Assets	\$ 135,517,072	\$ 124,490,119
Current Liabilities	\$ 62,129,691	\$ 61,842,545
Working Capital	\$ 73,387,381	\$ 62,647,574

*Based on shares outstanding at May 2, 1964

TO THE SHAREHOLDERS OF FOOD FAIR STORES, INC.

For the thirty-first consecutive year your Company again achieved record sales volume, surpassing the billion dollar mark for the second successive year. This was accomplished despite labor strife during the year, which, however, severely affected operating income.

During the past fiscal year we added 21 new units, of which seven were large J. M. Fields department stores. At the fiscal year end, May 2, 1964, your Company was operating a total of 488 food markets and 49 J. M. Fields department stores in the Eastern region, as well as the 40-unit chain of Fox Markets, Inc. on the West Coast.

Our record of labor peace was interrupted three times in the past year by sectional strike situations involving the retail clerks union. These affected our operations in Florida and, later, in the New Jersey-Eastern Pennsylvania area. In mid-April, strike action by the same union brought about the closing in the Greater Baltimore area of all major food chain outlets. Store service there was restored late in June.

Food Fair has long enjoyed harmonious relations with the various unions representing our employes, fully recognizing its responsibilities and the fact that our Company can only be as strong as its people.

Nevertheless, an important issue was raised during the past year which required recognition and acceptance by the union. This is the need of the food chains to compete on substantially equal terms with other food retailers. While we will continue to negotiate in good faith with the union involved, as we do with all other unions, your management will always be guided by its obligations to our customers, our employes, and our shareholders.



Samuel Friedland



Louis Stein

In our store expansion program for the year ahead, we are planning for the addition of approximately 30 food stores and six new J. M. Fields department stores. We also plan to continue our large-scale store remodeling program. An expansion program for the Fox Markets, Inc. chain is also under way.

We look forward to setting new sales records in the year ahead. With the return to normal operating conditions, we expect the return of normal profits. It is noteworthy that our third quarter earnings, reflecting pre-strike business, had shown a favorable upturn.

Your officers and directors join us in expressing our sincere appreciation to the Company's shareholders for their cooperation and support in what has been a trying year. We particularly want to extend our very special thanks also to our dedicated team of management personnel and their associates in stores, distribution centers, and offices, the men and women who so effectively demonstrated their loyalty to our Company during the past year.

Sincerely,

Samuel Friedland

Chairman of the Board

Louis Stein

President

July 27, 1964



REVIEW OF OPERATIONS

Sales and Earnings

For the 53 weeks ending May 2, 1964, sales of Food Fair Stores, Inc. reached a new high of \$1,105,394,153. This represents a 10.2% increase over the \$1,003,344,200 reported for the 52 weeks ended April 27, 1963.

Earnings were substantially affected by three regional strike situations which lasted for varying periods in the areas involved. However, this was overcome almost entirely by special credits in connection with the Company's investment in Fox Markets, Inc. and federal income taxes. Consolidated net income and special credits amounted to \$10,034,018, equal to \$1.40 per share on the 7,003,810 common shares outstanding at the year end. This compares with net income of \$10,370,147, or \$1.45 per share for the previous year on the same share basis.

The special credits amounted to \$2,677,872, equal to \$.38 per share. These are more fully explained in notes 8 and 9 to the financial statements.

The consolidated statement of earnings includes the operations of Fox Markets, Inc. from May 26, 1963, when Food Fair Stores, Inc. acquired effective control of this chain.

Dividends

Regular quarterly dividends of \$1.05 per share on the preferred stock and 22½ cents per share on the common stock were paid during the last fiscal year. Total dividend payments on the preferred and common stocks for the year were

\$6,507,061. At the year end the Company's shareholders had increased to 18,882.

Financial Position

Food Fair's financial condition again enabled the Company to complete its store expansion and remodeling program without recourse to equity financing. Working capital during the year increased to \$73,387,381 from \$62,647,574 the previous year. The current ratio at the year end was 2.2 to 1.

Capitalization

There were 7,003,810 shares of common stock outstanding at May 2, 1964, as compared with 6,970,901 outstanding the previous year end. The increase is due primarily to the exercise of options under the employees 1956 restricted stock option plan, which has since expired.

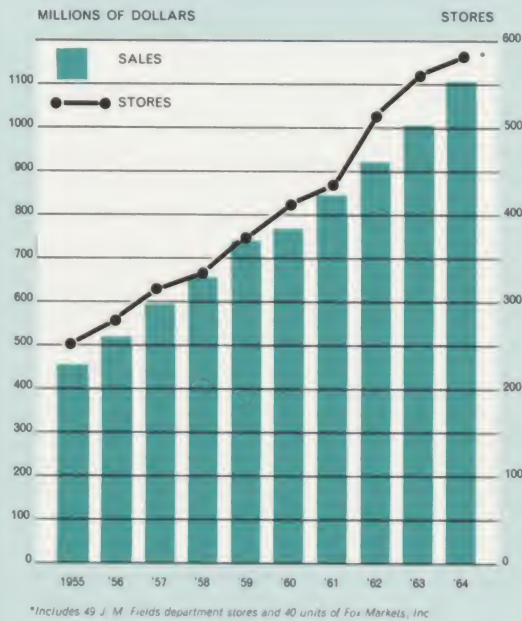
The Company also retired 2,420 shares of preferred stock in fulfilling its sinking fund obligations.

The Board of Directors has proposed a new qualified stock option plan for key management personnel. Shareholders are being asked to approve this incentive program at the annual meeting.

Food Fair Growth

During the past fiscal year 21 new units were added to the chain; seven of these were large J. M. Fields department stores. The new supermarkets averaged 14,000 square feet of selling

Sales and Number of Stores



space. The recent J. M. Fields units provide from 75,000 to 100,000 square feet each of general merchandise space. In four of the seven new units, food departments account for an additional 20,000 square feet of sales area. The new store program was augmented by a large-scale store remodeling program designed to turn older markets into more profitable units. During the year a total of 38 such stores were remodeled without interruption of service.

After the closing of 26 outmoded food units and three small J. M. Fields units, your Company at the fiscal year end operated 488 food markets and 49 J. M. Fields department stores in 14 eastern states, and 40 units of the Fox Markets, Inc. chain in California and Nevada.

In the year under way, food store expansion will be continued with approximately 30 new units scheduled. The expansion program for the

J. M. Fields department store division will add six large new units. Since this chain was acquired in 1961, 16 large units have been added, eight of which contain food departments.

On the West Coast, the Food Fair name continues to grow. Following our acquiring effective control of Fox Markets, Inc., headquartered in Los Angeles, a program was initiated to change the name of these supermarkets to Food Fair. The program was completed this past Spring. The West Coast operations at the fiscal year end consisted of 25 supermarkets, 10 food departments in discount centers, and five drug stores. An expansion program for this chain is well under way. One unit was opened in May and six others are under construction. Ten additional stores are in various planning stages.

Building Sales

A vigorous program was initiated late in the fiscal year to intensify the Company's consumer image, built around the theme "Think FIRST of FOOD FAIR." This sales promotion program, the most ambitious in our history, uses the "Think First" theme to re-emphasize to consumers that Food Fair—first with the finest supermarkets—is continually first in every phase of supermarketing and consumer service.

The program utilizes newspaper and magazine advertising, outdoor billboards, radio, transit posters, store sign work and literally dozens of other techniques, including imprinting shopping bags, bumper strips, employe badges—even the Company's metered mail.



REVIEW OF OPERATIONS

Quality Control

Laboratory testing facilities were expanded during the year as part of the Company's continuing program to assure our customers of the finest quality foods at the lowest possible prices. Food Fair's test kitchens are under the supervision of food technologists to make certain that product performance meets all standards and to afford adequate comparisons between different brands. Research in the Food Fair test kitchens is also aimed at product development and at maintaining strict quality control on all products which bear the Food Fair brand name.

The Company considers the work of its test kitchens an integral part of Food Fair's successful program throughout the years to retain strong customer loyalty to Food Fair.

Management Development

Through the years, Food Fair's training programs have been expanded and refined in the Company's continuing efforts to insure a reservoir of qualified personnel to fill responsible management posts.

The comprehensive store manager training program has provided a corps of men with the administrative and merchandising skills needed in these key operations jobs. Last year, some 45 trainees assumed full store managerial responsibilities. An equal number are now in training. Refresher and retraining courses for administrative and technical supervisors have been conducted on an increasingly frequent basis to keep

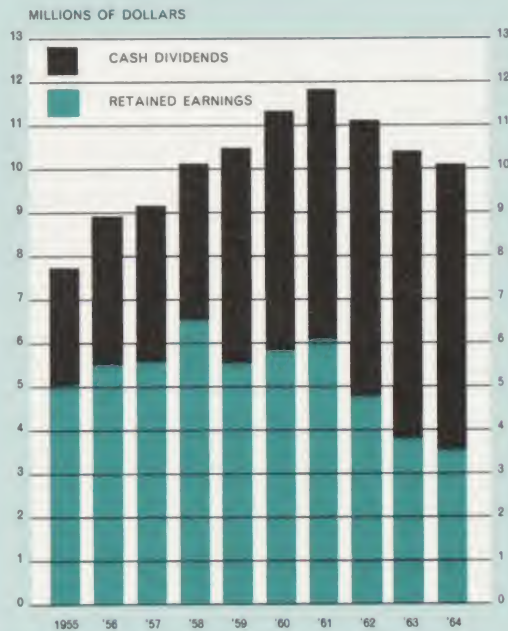


High quality of Food Fair brand products is assured through testing program in the Company's laboratory-kitchens.

these key personnel abreast of changing developments in the dynamic food distribution field.

A further advance in personnel development programs was achieved last year with the introduction of home study courses in retail food distribution. This study-at-home program—tailored to the specific requirements of our business—is sponsored jointly by Cornell University and the National Association of Food Chains, and is available to key management personnel under the Company's Self-Improvement Program.

Distribution of Net Earnings



Store personnel receive intensive training in Company policies, procedures and objectives. To meet the needs of these personnel, special departmental training manuals have been prepared with written tests. Last year, more than 1,000 men and women participated in these study-correspondence courses, and more than 500 formal instructional classes were conducted.

Community Service

In its continuing educational-aid program, the Food Fair Stores Foundation maintains an extensive scholarship program in 31 universities and colleges in states where Food Fair stores are located.

Last year, close to 250 scholarships were made available by the Foundation to qualified Food Fair employes and their children and to high school graduates residing in communities served by the Company's stores. This represents almost

five times as many scholarships as were granted by the Foundation in its first year in 1954, with more than twice the number of institutions participating.

Stockholders may well share management's feeling of pride in the accomplishments of Food Fair scholarship recipients. This was most recently exemplified by the distinction accorded a Food Fair scholar who became the winner of a National Science Foundation Fellowship in competition with young men from universities throughout the country, and was offered 10 graduate fellowships by as many institutions. Commenting on this student, the dean of Saint Joseph's College, Philadelphia, wrote: "In the years to come, Joseph Jerome will rank among the top scientists of our country. We at Saint Joseph's College are proud, as I am sure the Food Fair Stores Foundation must also be, to have been able to be of assistance to a person of such fine caliber."

Another continuing community service endeavor undertaken by Food Fair is the encouragement of the Little League Baseball movement. In the past year, Food Fair sponsored 79 Little League and Babe Ruth teams, affording some 2,000 youngsters the opportunity to play baseball under supervised conditions. In Philadelphia, the Company also sponsors, in cooperation with the Junior Chamber of Commerce, a Junior Olympics Track and Field Meet, supervised by the Amateur Athletic Union (AAU). Some 6,000 school boys and girls in the tri-state area compete in the qualifying meets and the finals.

General Outdoor

FOR FOODS OF "GOOD TASTE"

THINK
FIRST
OF
**FOOD
FAIR**

**FOOD
FAIR**

Thinking of Food?

THINK
FIRST
OF
**FOOD
FAIR**

THINK
FIRST
OF
**FOOD
FAIR**

for selection unlimited

THINK
FIRST
OF
**FOOD
FAIR**

FOR THE COURTESY YOU DESERVE

THINK
FIRST
OF
**FOOD
FAIR**

**FOOD
FAIR**

THINK FIRST OF FOOD FAIR

THINK FIRST OF FOOD FAIR



A new program designed to intensify Food Fair's image with consumers, attract new customers, and promote increased sales features the theme "Think *FIRST* of Food Fair." Now extensively under way, the program makes effective use of mass communication media to link a specific message highlighted

each month with in-store promotional activities. Photos illustrate various media utilized in the program, and includes outdoor billboards, taxicab and bus signs, magazine advertising, employe badges, and imprinted shopping bags.





REVIEW OF OPERATIONS

Outlook

Your management looks forward with confidence to the year ahead. Forecasts of a continued healthy economy present opportunities for increased sales volume, in which your Company fully intends to share.

With the return to full operations of all our facilities and with normal conditions prevailing, a considerable improvement in sales and earnings over the previous year can be anticipated. Aggressive programs to increase sales and improve profit margins will have the opportunity to demonstrate their effectiveness. Additional meas-

ures designed to improve efficiency and to reduce operating costs, including the consolidation of subsidiary offices in the new Food Fair Building, should be of material assistance in improving profit results.

Our confidence in public acceptance of the J. M. Fields concept of quality-discount in retailing general merchandise remains high, and we anticipate a satisfactory profit performance by this division. We also look for an increasing contribution from the expanding Fox Markets, Inc. chain.

Annual Meeting

The annual meeting of shareholders of Food Fair Stores, Inc. will be held Tuesday, August 18, 1964 at 2 P. M., E.D.T., in the Meeting Room of the Company's corporate headquarters, 3175 John F. Kennedy Boulevard, Philadelphia, Pennsylvania. Shareholders are cordially invited to attend the meeting.

Enclosed with this report are a notice of the annual meeting, a proxy, and a proxy statement. Shareholders unable to attend are respectfully urged to date, sign, and return the enclosed proxy in accordance with the instructions on the form. Your prompt attention to this matter will assure representation at the meeting.

STATISTICAL SUMMARY

FOOD FAIR STORES, INC. and SUBSIDIARIES

(all dollar figures are in thousands)

Year Ended	Stores at Year-End	Sales	Net Income	Cash Dividends	Earnings Retained
May 2, 1964*	577†	\$1,105,394	\$10,034‡	\$6,507	\$3,527
April 27, 1963	551	1,003,344	10,370	6,500	3,870
April 28, 1962	504	923,224	11,055	6,279	4,776
April 29, 1961	437	840,180	11,865	5,647	6,218
April 30, 1960	404	771,172	11,395	5,528	5,867
May 2, 1959*	368	733,960	10,396	4,928	5,468
April 26, 1958	332	654,829	10,122	3,529	6,593
April 27, 1957	310	592,460	9,030	3,444	5,586
April 28, 1956	275	517,289	8,923	3,347	5,576
April 30, 1955	250	443,880	7,734	2,565	5,169
May 1, 1954*	230	376,384	6,061	2,183	3,878

*53 Weeks.

†Includes 49 J. M. Fields department stores and 40 units of Fox Markets, Inc.

‡Includes special credits of \$2,677,872. (See notes 8 and 9.)



CONSOLIDATED STATEMENT OF
INCOME

FOOD FAIR STORES, INC. AND SUBSIDIARIES

	53 WEEKS ENDED MAY 2, 1964	52 WEEKS ENDED APRIL 27, 1963
Sales.....	\$1,105,394,153	\$1,003,344,200
Cost of sales.....	<u>894,799,934</u>	<u>815,977,592</u>
Gross profit from sales.....	\$ 210,594,219	\$ 187,366,608
Operating expenses.....	<u>195,852,112</u>	<u>166,428,888</u>
Profit from operations.....	\$ 14,742,107	\$ 20,937,720
Other income.....	<u>1,326,719</u>	<u>1,314,850</u>
Profit before interest expense.....	\$ 16,068,826	\$ 22,252,570
Interest expense.....	<u>2,910,715</u>	<u>2,420,757</u>
Net income before income taxes, minority interest and special credits.....	\$ 13,158,111	\$ 19,831,813
Federal and State income taxes (Note 7).....	<u>5,444,583</u>	<u>9,461,666</u>
Minority interest in income of subsidiary.....	<u>357,382</u>	<u>—</u>
Net income.....	\$ 7,356,146	\$ 10,370,147
Special credits:		
Excess of equity over cost of investment in subsidiary company (Note 8).....	<u>1,868,872</u>	<u>—</u>
Federal income taxes (Note 9).....	<u>809,000</u>	<u>—</u>
Net income and special credits.....	<u>\$ 10,034,018</u>	<u>\$ 10,370,147</u>

CONSOLIDATED STATEMENT OF
RETAINED EARNINGS

FOOD FAIR STORES, INC. AND SUBSIDIARIES

Balance at beginning of period.....	\$ 43,920,831	\$ 40,050,190
Net income and special credits for the period.....	<u>10,034,018</u>	<u>10,370,147</u>
	\$ 53,954,849	\$ 50,420,337
Deduct:		
Cash dividends:		
Preferred stock.....	\$ 203,836	\$ 214,599
Common stock.....	<u>6,303,225</u>	<u>6,284,907</u>
	\$ 6,507,061	\$ 6,499,506
Balance at end of period	<u>\$ 47,447,788</u>	<u>\$ 43,920,831</u>

See accompanying notes to financial statements

CONSOLIDATED STATEMENT OF
FINANCIAL CONDITION

FOOD FAIR STORES, INC. AND SUBSIDIARIES

	<u>MAY 2, 1964</u>	<u>APRIL 27, 1963</u>
Current assets:		
Cash.....	\$ 19,390,611	\$ 15,249,878
Marketable securities, at cost.....	348,405	308,857
Accounts receivable.....	20,070,019	17,864,279
Inventories, at lower of cost or market.....	90,015,271	86,007,657
Prepaid expenses.....	5,309,431	4,545,978
Properties completed and under construction covered by commitments to purchase and lease back, net of payments received on account—1964, \$8,000,000.....	383,335	513,470
	<u>\$135,517,072</u>	<u>\$124,490,119</u>
Less: Current liabilities:		
Accounts and notes payable.....	\$ 39,662,399	\$ 37,615,577
Accrued salaries and expenses.....	20,732,841	19,411,052
Federal and State income taxes payable (Note 7).....	1,734,451	4,815,916
	<u>\$ 62,129,691</u>	<u>\$ 61,842,545</u>
Working capital	<u>\$ 73,387,381</u>	<u>\$ 62,647,574</u>
Other assets:		
Investments, at cost:		
Capital stock, Food Fair Properties, Inc.....	4,244,444	4,244,444
Other.....	2,513,312	2,173,852
Property, plant and equipment, at cost, less allowance for depreciation—1964, \$71,437,707; 1963, \$62,140,888.....	86,196,761	86,792,301
Miscellaneous other assets.....	3,237,255	2,774,895
	<u>\$169,579,153</u>	<u>\$158,633,066</u>
Deduct:		
Mortgages and notes payable, due after one year.....	\$ 26,855,838	\$ 18,909,280
Debentures payable, due after one year (Note 2).....	36,517,500	40,237,500
Liability for redemption of trading stamps, less estimated current portion included in accrued expenses.....	2,400,000	2,100,000
Deferred Federal income taxes.....	3,844,500	3,905,000
Minority interest in subsidiary (Note 1).....	3,043,417	—
	<u>\$ 72,661,255</u>	<u>\$ 65,151,780</u>
Net assets	<u>\$ 96,917,898</u>	<u>\$ 93,481,286</u>
Derived from:		
Capital stock:		
Preferred (Note 3).....	\$ 4,739,500	\$ 4,981,500
Common (Note 4).....	7,037,310	7,010,601
Obligation to issue shares of common stock (Note 5).....	775,500	1,551,000
Capital in excess of par value (Note 6).....	37,656,379	36,934,722
Retained earnings (Note 2).....	47,447,788	43,920,831
Less: Common stock in treasury, at cost (Note 4).....	(738,579)	(917,368)
	<u>\$ 96,917,898</u>	<u>\$ 93,481,286</u>

See accompanying notes to financial statements



NOTES TO FINANCIAL STATEMENTS

Note 1

Prior to the current year only wholly-owned subsidiaries were consolidated and the company had no majority-owned subsidiaries. As of May 26, 1963, the company acquired effective majority interest (currently 69%) in Fox Markets, Inc. through the purchase of convertible preferred stock. The consolidated financial statements for May 2, 1964 include Fox Markets, Inc. from date of acquisition.

Note 2

3 $\frac{3}{8}$ % debentures, \$15,380,000, due September 1, 1974, require semi-annual sinking fund payments of \$400,000 through March 1, 1969 and \$500,000 thereafter through March 1, 1974. The sinking fund requirements for the year ending May 1, 1965 have been anticipated.

4% debentures, \$21,137,500, due April 1, 1979, are convertible into common stock at \$32.94 per share through April 1, 1969. These debentures require semi-annual sinking fund payments beginning April 1, 1970 of 5% of the principal amount of the debentures outstanding on April 1, 1969.

The indentures covering the issuance of the debentures described above contain restrictions as to the payment of cash dividends and the redemption of shares of stock of the company. The maximum amount of retained earnings so restricted at May 2, 1964 was \$26,273,787.

Note 3

Preferred stock is \$4.20 cumulative, \$15 par value; 142,615 shares are authorized, of which 77,615 were issued, and 47,395 are outstanding. The company is obligated to set aside \$120,000 semi-annually as a sinking fund for the redemption of the preferred stock, which may be called for this purpose at \$100 per share plus accrued dividends.

Note 4

Common stock is \$1 par value; 10,000,000 shares are authorized, of which 7,037,310 are issued, 33,500 are held in the company's treasury and 7,003,810 are outstanding.

At May 2, 1964, there remained outstanding options granted to certain employees to purchase 30,100 shares of common stock at \$23.63 per share, such price being at least 100% of the market price on the dates the options were granted. The options are exercisable on a cumulative basis to January 21, 1970.

On May 5, 1964, the Board of Directors of the company, subject to stockholders' approval, adopted a qualified stock option plan for key employees. Under the plan, 350,000 shares of common stock are reserved for issuance pursuant to options which may be granted up to August 1, 1969. Such options will be exercisable at a price not less than 100% of fair market value on dates of grant for a period up to five years from such dates.

Note 5

In August, 1961, the company acquired certain net assets of Enterprise—J. M. Fields, Inc. for \$40,000 cash and 74,000

shares of common stock, of which 27,000 shares were issued on December 12, 1961 and 23,500 shares were issued on May 22, 1963. The remaining 23,500 shares will be issued in July, 1964.

Note 6

Capital in excess of par value was increased during the year by the following:

Excess of stated value over cost of 2,420 shares of cumulative preferred stock retired	\$ 9,605
Excess over par value of proceeds received from issuance of 26,709 shares of common stock through exercise of employees' stock options	483,434
Excess of liability to issue shares of common stock over cost of treasury stock used to reduce such liability	228,618
	\$721,657

Note 7

The provision for Federal income taxes for the year ended May 2, 1964 has been reduced by \$663,000 representing 100% of the investment credit for that year.

Note 8

As of May 26, 1963, the company acquired all of the new preferred stock of Fox Markets, Inc. at a cost, subject to final determination, of approximately \$3,550,000. This preferred stock is convertible within three years from date of issuance into 65% of the outstanding common stock of Fox Markets, Inc. The company's equity in the consolidated net assets of this subsidiary, after adjustment to reduce specific assets (substantially property and equipment) from book value to fair value, exceeds the cost of such investment by \$1,868,872. Since this excess was represented by current assets (substantially cash and inventories) realized in the current year, it is included as a special credit.

Note 9

This amount is comprised of the following credits against Federal income taxes: (1) carryover of net operating loss of subsidiary company, \$366,000; (2) adjustment of deferred taxes to reflect decrease in tax rates in the revenue act of 1964, \$235,000; (3) deferred portion of prior years' investment credit, \$208,000.

Note 10

Costs and expenses include depreciation and amortization of \$10,011,145 and \$9,158,057 for the years ended in 1964 and 1963, respectively.

Note 11

The company rents the majority of the premises occupied. At May 2, 1964, the minimum annual rental for such premises under 608 leases expiring more than three years after that date amounted to approximately \$19,550,000 plus, in some instances, certain taxes, insurance and other expenses.



PHILADELPHIA LEWISTOWN
NEW YORK WILKES-BARRE
 HARRISBURG

LAVENTHOL, KREKSTEIN & CO.
Certified Public Accountants

1528 WALNUT STREET
PHILADELPHIA 2, PA.

The Board of Directors
Food Fair Stores, Inc.

We have examined the consolidated statement of financial condition of Food Fair Stores, Inc. and subsidiaries at May 2, 1964 and the related consolidated statements of income and retained earnings for the fifty-three weeks then ended. Our examination was made in accordance with generally accepted auditing standards, and accordingly included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances.

In our opinion, the accompanying consolidated statements of financial condition, income and retained earnings present fairly the financial position of Food Fair Stores, Inc. and subsidiaries at May 2, 1964 and the results of their operations for the fifty-three weeks then ended, in conformity with generally accepted accounting principles applied on a basis consistent with that of the preceding period.

July 9, 1964

Laventhol, Krekstein & Co.
LAVENTHOL, KREKSTEIN & CO.

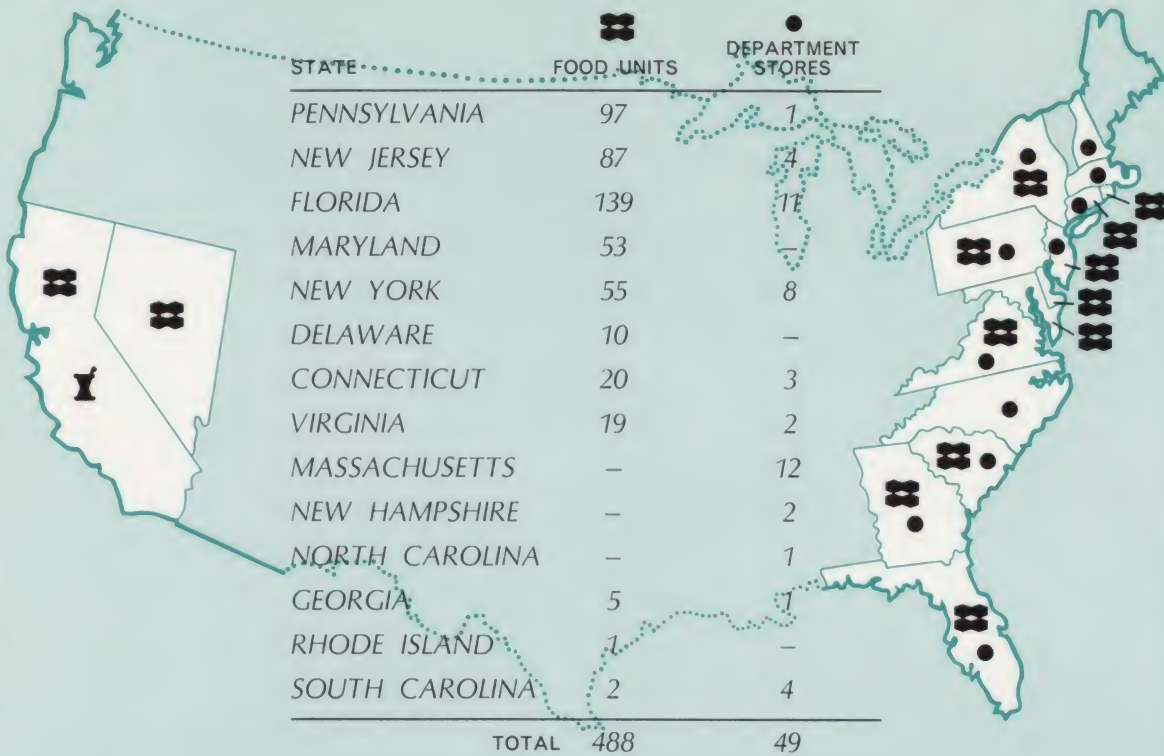
A new Food Fair store in the expanding Fox Markets, Inc. chain.





FOOD FAIR STORES, INC.

as of May 2, 1964



FOX MARKETS, INC.

STATE	FOOD UNITS	DRUG STORES
CALIFORNIA	31	5
NEVADA	4	—
TOTAL	35	5

OFFICERS AND DIRECTORS

OFFICERS

SAMUEL FRIEDLAND

Chairman of the Board

LOUIS STEIN

President

MYER B. MARCUS

Executive Vice President

ARTHUR ROSENBERG

Senior Vice President

HERMAN R. SILVER

Vice President

JACK M. FRIEDLAND

Vice President

DAVID T. FRIEDLAND

Vice President

ARNOLD D. COHEN

Vice President

SAMUEL P. MANDELL

Vice President

HAROLD FRIEDLAND

Vice President

LOUIS KASOFF

Vice President

HARRY PRIPSTEIN

Vice President

JOSEPH H. RASH

Vice President

J. ARVID JONSSON

Vice President

B. F. LIEBER

Secretary and Treasurer

SAMUEL FORMAN

Assistant Secretary

HOWARD S. JACOBSEN

Assistant Secretary

DIRECTORS

D. FREDERICK BARTON

Partner, Eastman Dillon, Union Securities & Co.

GEN. OMAR N. BRADLEY

Chairman, Bulova Watch Co.

GEORGE FRIEDLAND

Former Vice Chairman and President

JACK M. FRIEDLAND

Vice President

SAMUEL FRIEDLAND

Chairman of the Board

HESS KLINE

Former Vice President and Treasurer

SAMUEL P. MANDELL

Vice President

MYER B. MARCUS

Executive Vice President

ARTHUR ROSENBERG

Senior Vice President

HAROLD W. SCOTT

Financial Consultant

HERMAN R. SILVER

Vice President

LOUIS STEIN

President

W. PAUL STILLMAN

Chairman, National State Bank of Newark



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GENERAL COUNSEL Stein, Abrams & Rosen, New York, New York

TRANSFER AGENT Registrar & Transfer Company, New York, New York

REGISTRAR Chase Manhattan Bank, New York, New York

CERTIFIED PUBLIC ACCOUNTANTS Laventhol, Krekstein & Co., Philadelphia, Pennsylvania



FOOD FAIR STORES, INC.

PHILADELPHIA, PENNSYLVANIA